BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICANT: BLACK MESA ENERGY, LLC)
) CAUSE NO. CD 202100878-T
<u>RELIEF</u> SOUGHT: WELL LOCATION)
EXCEPTION)
) ORDER NO. 720517
LAND COVERED: W/2, SE/4, AND S/2 NE/4 OF)
SECTION 12, AND N/2 OF SECTION 13,)
TOWNSHIP 1 SOUTH, RANGE 3 WEST, CARTER)
COUNTY, OKLAHOMA)

ORDER AMENDING FINAL ORDER NO. 719987 HORIZONTAL WELL LOCATION EXCEPTION

This order follows the format and contains all elements set forth in the Judicial & Legislative Services form order.

1. <u>Hearing Date and Place</u>: This Cause initially came on for emergency hearing on June 18, 2021, before Connie Moore, Administrative Law Judge at the Kerr Office Bldg., 440 South Houston, Suite 114, Tulsa, Oklahoma, regarding the above-styled Cause. Emergency Order No. 719350 issued in this Cause on July 8, 2021.

Thereafter, this Cause came on for hearing on July 6, 2021, before Paul Porter, Administrative Law Judge at the Kerr Office Bldg., 440 South Houston, Suite 114, Tulsa, Oklahoma, regarding the above-styled Cause. After hearing the arguments of counsel and considering all the facts, evidence and testimony presented in the captioned Cause, the Administrative Law Judge recommended that a Final Order issue in said Cause. Final Order No. 719987 issued in this Cause on August 9,2021.

Subsequently, this Cause was reopened on August 27, 2021, before Connie Moore, Administrative Law Judge at the Kerr Office Bldg., 440 South Houston, Suite 114, Tulsa, Oklahoma, regarding the above-styled Cause.

2. <u>Appearances</u>: Benjamin J. Brown, Attorney, appeared for the Applicant, Black Mesa Energy, LLC.

Findings

3. <u>Companion Causes</u>: None.

4. <u>Notice and Jurisdiction</u>: Notice has been given by publication as required by Commission Rules and Affidavits of Publication have been filed. Those Respondents whose names and addresses were attainable have been given actual notice by first-class mail pursuant to Commission rules. An adjudicative inquiry was conducted by the Administrative Law Judge into the sufficiency of the search to ascertain the names and

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> addresses of all owners, and if a diligent effort had been made to locate all affected interest owners. The Commission finds that the Applicant has made a meaningful and diligent search of all reasonably available sources at hand to ascertain those parties that are entitled to notice and the whereabouts of those entitled to notice but who were served only by publication. The Applicant gave notice as required, the Commission approves the notice given by mail and by publication, and the Commission has jurisdiction of the subject matter and parties.

- 5. <u>Amendments</u>: At the hearing, the Woodford and Hunton formations were dismissed from the purview of the Application hereof. At the hearing, the request to locate perforations at locations other than that authorized by the spacing order, was dismissed from the purview of the application.
- 6. **<u>Relief Requested</u>**: The relief requested is for an Order authorizing the drilling, completion, and production of a horizontal well in the Sycamore common source(s) of supply for the 880-acre irregular horizontal drilling and spacing unit consisting of the W/2, SE/4, and S/2 NE/4 of Section 12, and N/2 of Section 13, Township 1 South, Range 3 West, Carter County, Oklahoma, with a completion interval as described below.

Surface hole location:

Maaroon 1 Danih	North/South	East/West	
Measured Depth	Location-ft	Location - ft	
N/A	2,382' FNL	1,025' FWL of NW/4 of Sec. 13	

Location at commencement of completion interval:

7,798'	375' FSL	1,353' FWL of NW/4 of Sec. 13
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Location at end of completion interval:

13,317'	2,066' FNL	1,236' FWL of Sec. 12
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The Applicant requests that such order authorize the drilling and completion of such well, with the completion interval closer than 600 feet from the Newberry 12-1. The Order is to grant an exception of the provision of OAC 165:10-3-28(c)(2)(B).

The Jewell 13-12-1S-3W-SXH1 (API 3501926437) has been drilled and completed with the completion interval 568 feet to the following well(s):

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Well Name	Location	API Number	Operator
Newberry 12-1	C NE/4 SW/4	35019227940000	Black Mesa Energy, LLC
	of Sec. 12		

- 7. **Reason Relief Should Be Granted:** The requested relief for an Order authorizing the drilling, completion, and production for a horizontal well in the Sycamore common source(s) of supply for the 880-acre irregular horizontal drilling and spacing unit consisting of the W/2, SE/4, and S/2 NE/4 of Section 12, and N/2 of Section 13, Township 1 South, Range 3 West, Carter County, Oklahoma, is granted, as modified herein. This Order is to grant an exception of the provision of OAC 165:10-3-28(c)(2)(B). The interval(s) of interest is tight and vertical wells typically produce only marginal amounts of oil and gas. The proposed location is necessary to avoid waste of otherwise producible oil and gas.
- 8. <u>Allowable</u>: The allowable for the Sycamore common source(s) of supply shall be 100% of a normal allowable.
- 9. <u>Previous Orders</u>: Final Order No. 719987 issued in this Cause on August 9,2021. Emergency Order No. 719350 issued in this Cause on July 8, 2021.
- 10. <u>Special Findings</u>: This well was completed using casing and cement. The completion interval shall be the entire length of the lateral between the first and last perforations described above. An incorrect plat was submitted in this cause for the final hearing on July 6, 2021. This Order is to amend Final Order No. 719987 issued in this Cause.

<u>Order</u>

11. IT IS THE ORDER OF THE COMMISSION that the relief requested in the Application, as modified above, is necessary to ensure the greatest ultimate recovery of hydrocarbons from the above-mentioned common source(s) of supply, prevent or assist in preventing waste, and protect correlative rights of interested parties.

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The relief requested in the Application, as modified above, is granted.

CORPORATION COMMISSION OF OKLAHOMA

Shurp DANA L. MU Bob A ANTHONY.

COMMISSIONER TODD HIETT.

CERTIFICATION

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, this 10th day of <u>September</u>, 2021.



BY ORDER OF THE COMMISSION:

PEGG

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing findings and order are the report and recommendations of the Administrative Law Judge.

APPROVED:

Connie Moore

Connie Moore Administrative Law Judge

Runell H Blasing

Reviewer

9/3/2021

Date

9/10/2021

Date

This order follows the format and contains all elements set forth in the Judicial & Legislative Services Form Order for this type of Cause. The undersigned attorney affirms (1) said attorney has read this order and (2) this order is true, correct and approved as to form and content.

Benjar